



THE UNITED STATES ATTORNEY'S OFFICE  
EASTERN DISTRICT *of* VIRGINIA

[U.S. Attorneys](#) » [Eastern District of Virginia](#) » [News](#)

Department of Justice

U.S. Attorney's Office

Eastern District of Virginia

FOR IMMEDIATE RELEASE

Friday, April 30, 2021

## **Jury Convicts Former Virginia Beach Investment Advisor and Williamsburg Attorney of \$25 Million Nationwide Investment Fraud**

NORFOLK, Va. – A federal jury convicted two individuals today for their roles in a nationwide investment fraud scheme that resulted in over \$25 million in losses to more than 300 victims, most of whom were elderly.

"As proven during a five-week trial, these defendants and their co-conspirators defrauded hundreds of unsuspecting investors out of over \$25 million, draining their retirement accounts and leaving a trail of financial and emotional devastation for the victims," said Raj Parekh, Acting U.S. Attorney for the Eastern District of Virginia. "The jury's verdicts bring us one step closer to securing justice for the victims of these damaging, manipulative, and life-altering schemes. Our Office is deeply appreciative to the trial team and our law enforcement partners for their tireless work in unraveling this complex fraud and ensuring these defendants are held accountable."

According to court records and evidence presented at trial, Daryl Bank, 51, of Port St. Lucie, Florida, ran an investment fraud scheme from approximately January 2012 through July 2017, based in the Tidewater area and Port St. Lucie, and operating across the country. Bank and his co-conspirators—including attorney Billy Seabolt, 56, Raeann Gibson, 49, of Florida, and Roger Hudspeth 51, of Suffolk—deceived hundreds of unsuspecting investors, most of whom were at or near retirement age, by convincing them to invest in companies owned and controlled by Bank. At Bank's direction, co-conspirators stole significant portions of investment contributions to fund their criminal enterprise and Bank's lavish lifestyle.

In 2010, Bank, then a registered securities broker, was barred from the securities industry by the Financial Industry Regulatory Authority (FINRA). Undeterred, Bank created a private equity company called Dominion Private Client Group (Dominion) and continued to sell unregistered securities on his own and through insurance salesmen across the country. Billy Seabolt served as Dominion's legal counsel and was involved in the development of many of the fraudulent investments and corporations.

The conspirators made material misrepresentations and omissions to sell illiquid, highly speculative investment vehicles. Based on these fraudulent representations, unsuspecting investors cashed out of 401(k) and other retirement accounts to invest in Bank's investment vehicles, without knowing that Bank immediately transferred 20%–70% of the investors' funds to companies that he controlled in the form of

purported “fees.” As a result of this investment fraud scheme, the victims suffered losses in excess of \$25 million.

Bank was convicted of conspiracy, mail and wire fraud, selling unregistered securities, securities fraud, and money laundering. He faces a maximum penalty of over 300 years in prison when sentenced on September 20. Seabolt was convicted of conspiracy and mail fraud, and he faces a maximum penalty of 75 years in prison when sentenced on September 15. Actual sentences for federal crimes are typically less than the maximum penalties. A federal district court judge will determine any sentence after taking into account the U.S. Sentencing Guidelines and other statutory factors.

Gibson pleaded guilty to conspiracy and was sentenced to 10 years in prison in February 2020. Hudspeth pleaded guilty to investment advisor fraud and money laundering and was sentenced to over 12 years in prison in May 2018.

Raj Parekh, Acting U.S. Attorney for the Eastern District of Virginia; Brian Dugan, Special Agent in Charge of the FBI’s Norfolk Field Office; Darrell J. Waldon, Acting Special Agent in Charge, Washington, D.C. Field Office, IRS-Criminal Investigation (IRS-CI); and Peter R. Rendina, Inspector in Charge of the Washington Division of the U.S. Postal Inspection Service, made the announcement after U.S. District Judge Raymond A. Jackson accepted the verdicts. The U.S. Attorney’s Office extends its appreciation to the Virginia State Corporation Commission’s Division of Securities.

Assistant U.S. Attorneys Melissa E. O’Boyle, Elizabeth M. Yusi, and Andrew Bosse prosecuted the case.

Combatting elder abuse and financial fraud targeted at seniors is a key priority of the Department of Justice. Elder abuse is an intentional or negligent act by any person that causes harm or a serious risk of harm to an older adult. It is a term used to describe five subtypes of elder abuse: physical abuse, financial fraud, scams and exploitation, caregiver neglect and abandonment, psychological abuse, and sexual abuse. Elder abuse is a serious crime against some of our nation’s most vulnerable citizens, affecting at least 10 percent of older Americans every year. Together with our federal, state, local, and tribal partners, the Department of Justice is steadfastly committed to combatting all forms of elder abuse and financial exploitation through enforcement actions, training and resources, research, victim services, and public awareness. This holistic and robust response demonstrates the Department’s unwavering dedication to fighting for justice for older Americans.

A copy of this press release is located on the website of the [U.S. Attorney’s Office](#) for the Eastern District of Virginia. Related court documents and information are located on the website of the [District Court](#) for the Eastern District of Virginia or on [PACER](#) by searching for Case No. 2:17-cr-126.

---

**Topic(s):**

Elder Justice  
Financial Fraud  
Securities, Commodities, & Investment Fraud

**Component(s):**

[USAO - Virginia, Eastern](#)

**Contact:**

Press Office  
[USAVAE.Press@usdoj.gov](mailto:USAVAE.Press@usdoj.gov)